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## EXTRAORDINARY PART I—Section 1 PUBLISHED BY AUTHORITY

### No. 211] NEW DELHI, FRIDAY, DECEMBER 31, 1954

#### MINISTRY OF COMMERCE AND INDUSTRY

#### RESOLUTION

#### TARIFFS

New Delhi, the 31st December, 1954

- No. 46(1)-T.B./54.—The Tariff Commission has submitted its Report on the continuance of protection to the Oil Pressure Lamps industry, on the basis of an inquiry conducted by it in terms of sections 11 (e) and 13 of the Tariff Commission Act, 1951. Its recommendations are as follows:—
  - (1) The existing protective duty of 30 per cent. ad valorem (exclusive of surcharge) on oil pressure lamps should be continued for a further period of three years, i.e., upto 31st December, 1957.
  - (2) The protective duty should apply to all hurricane and hanging types of oil pressure lamps without any distinction of candle power.
  - (3) Standard specifications should be formulated as soon as possible by the Indian Standards Institution.
  - (4) Effective steps should be taken to stop the practice of marking indigenous oil pressure lamps and mantles in such a way as to create the impression that they are of foreign origin and thereby mislead the consumers.
  - (5) The industry should diversify its production by producing lamps of over 400 candle power of both hurricane and hanging types.
- 2. Government accept recommendations (1), (2) and (3) and steps will be taken to implement them.
- 3. As regards recommendation (4), Government take a serious view of the marking of indigenous oil pressure lamps and mantles to suggest that they are of foreign origin and will take necessary steps to prevent such use of a false trade description.
- 4. The attention of the industry is drawn to recommendation (5).

#### NOTIFICATION

#### TARIFFS

New Delhi, the 31st December, 1954

No. 46(1)-TB/54.—In exercise of the powers conferred by subsection (1) of section 3A of the Indian Tariff Act, 1934 (XXXII of 1934), the Central Government hereby directs that with effect from the 1st January, 1955, there shall be levied on the articles specified in column (1) of the Table hereto annexed when imported into India the duty of customs specified in the entry in column (2) thereof.

#### THE TABLE

Name of articles

Amount of customs duty [inclusive of the duty chargeable under sub-section (1) of section 2 of the Indian Tariff Act, 1934 and any additional duty leviable under any other law for the time being in force]

(1)

(2)

Oil Pressure Lamps, Harricane and Hanging types, irrespective of candle power.

31 per cent.

ad valorem.

#### RESOLUTION

#### TARIFFS

New Delhi, the 31st December, 1954

- No. 2(1)-T.B./54.—The Tariff Commission has submitted its Report on the continuance of protection to the Stearic Acid and Oleic Acid Industry, on the basis of an inquiry undertaken by it under Sections 11(e) and 13 of the Tariff Commission Act, 1951. Its recommendations are as follows:—
  - (1) The extension of protection to derivatives of stearic and oleic acids would result in more effective protection to the industry by discouraging the imports of materials which contain a high proportion of these acids, apart from establishing the manufacture of derivatives within the country. The derivatives of stearic acid and oleic acid should therefore be granted the same quantum of protection as is granted to the respective fatty acids.
  - (2) A protective specific duty at the standard rate of annas eight per lb. should be levied on stearic acid. The same rate of duty should apply to derivatives of stearic acid.
  - (3) The existing protective duty at the standard rate of 31½ per cent ad valorem (inclusive of surcharge) should be continued on oleic acid. The same rate of duty should apply to derivatives of oleic acid.
  - (4) The protective duties recommended above should remain in force for three years, *i.e.*, till 31st December 1957.

(5) The existing customs tariff relating to item 28 (20) should be modified as indicated below:—

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the arti- cle is the produce or manufacture of		Duration of protective rates of
				The U.K.	A British Colony	duty
28(20)	(a) Acid oleic or any product containing 70% or more of free	Protectives	31½ per cent. ad val.		••	31st De- cember, 1957.
	liquid fatty acid.  (b) Any product manufactured from (a) and containing 70 per cent, or more of combined liquid fatty acids.	Do,	Do.	••	••	Do.
	(c) Acid stearic or any product containing 70 per cent. or more of free solid fatty acids.	Do.	Eight annas per lb.	••		Do.
	(d) Any product manufactured from (c) and containing 70 per cent. or more combined solid fatty acids.	Do.	Do,			Do.
	(e) Mixture of (a) and (c) above containing 70 per cent. or more of free fatty acids.	Do.	Do.	••		Do.

- (6) Government should review the working of the Import Control policy in regard to stearic acid and stearine in the light of the observations contained in paragraph 13 of the report.
- (7) As the cosmetic industry has been granted a special concession in regard to imports of stearic acid, applications for import licences from that industry should be scrutinised on the basis of the consumption certificates issued by the Directors of Industries. The simplified procedure described in paragraph 37 of the "Import Control Policy" (Red Book) for July—December, 1954, should not be made applicable to stearic acid.
- (8) If manufacturers of greases in India find it necessary to charge reasonably higher prices for greases supplied to Government on account of the higher cost of the stearic acid, they should be allowed to do so after necessary investigation into their cost of production. Government's store purchase policy provides for a price preference in favour of indigenously produced articles and in accordance with this policy, Government along with private consumers,

- should be prepared to pay reasonably higher prices for greases manufactured with indigenous stearic acid as compared with imported greases.
- (9) The problem of laying down standard specifications for stearic acid and oleic acid is difficult as different consumers require material varying substantially in specifications. Further, commercial stearic acid and commercial oleic acid are mixtures of fatty acids produced from various materials by different processes resulting in the composition of the products not being uniform. The Indian Standards Institution should examine the possibility of formulating standard specifications for these acids in consultation with the representatives of manufacturers and the consuming interests.
- (10) Manufacturers of stearic acid should make further efforts to improve the quality of their product.
- (11) Manufacturers of stearic acid and oleic acid, and consumers of these fatty acids should exchange information with each other regarding the exact specifications of the grades required by the consuming industry and the grades which manufacturers are in a position to produce on a commercial scale.
- (12) Manufacturers of stearic acid should examine the possibility of obtaining supplies of low-grade tallow from Australia in place of the first grade technical tallow used at present.
- 2. Government accept in principle recommendations (1) to (5). Government are, however, of the view that an ad valorem rate of duty on two of the sub-items and a specific rate of duty on the three other sub-items will give rise to administrative difficulties. To obviate such difficulties, Government have decided with the concurrence of the Tariff Commission that a uniform duty at the rate of 31½ per cent ad valorem or eight annas per pound, whichever is higher, should be levied on all the sub-items (a) to (e) in the table in recommendation (5) above. Steps will be taken to implement the recommendations in regard to the scheme of protection as modified above.
- 3. Recommendation (7) will be taken into consideration by Government while framing the future import policy.
- 4. Government accept recommendations (6), (8) and (9) and will take suitable steps to implement them as far as possible.
- 5. The attention of the industry is invited to recommendations (10), (11) and (12).

#### NOTIFICATION

#### TARIFFS

New Delhi, the 31st December, 1954

No. 2(1)-T.B./54.—In exercise of the powers conferred by subsection (1) of section 3A of the Indian Tariff Act, 1934 (XXXII of 1934), the Central Government hereby directs that with effect from the 1st January, 1955, there shall be levied on the articles specified

in column (1) of the Table hereto annexed when imported into India the duty of customs specified in the entry in column (2) thereof.

#### THE TABLE

Name of articles

Amount of customs duty [inclusive of the duty chargeable under sub-section (1) of section 2 of the Indian Tariff Act, 1934, and any additional duty leviable under any other law for the time being in force]

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- (a) Acid oleic or any product containing 70 per cent, or more of free liquid fatty acids.
- (b) Any product manufactured from (a) and containing 70 per cent, or more of combined liquid fatty acids.
- (c) Acid stearle or any product containing 70 per cent. or more of free solid fatty
- and containing 70 per cent. or more of combined solid fatty acids.

  Mixture of (a) 2007 (d) Any product manufactured from (c)
- 70 per cent. or more of free fatty acids.

- 311 per cent. ad valorem, or eight annas per pound, whichever is higher.
- 311 per cent. ad valorem or eight annas per pound, whichever is higher.
- cent. ad valorem, or eight annas 311 per per pound, whichever is higher.
- (e) Mixture of (a) and (c) above containing 311 per cent. ad valorem, or eight annas per pound, whichever is higher.

#### RESOLUTION

#### TARIFFS

New Delhi, the 31st December, 1954

No. 36(6) T.B./53.—The Tariff Commission has submitted its Report on the continuance of protection to the Cotton Textile Machinery Industry (viz., spinning ring frames, spindles, spinning rings, fluted rollers, tin rollers, and looms). Its recommendations are as follows:--

- (1) The existing protective duty of 10½ per cent. ad valorem on spinning ring frames, spinning ring spindles, spinning rings and fluted rollers should be continued upto 31st December, 1957. Parts of spinning ring frames should be subject to the same rate of duty as at present. The existing protective duty of  $10\frac{1}{2}$  per cent. ad valorem on plain looms also should be continued and made applicable to looms of all kinds and parts thereof for the same period. Tin rollers no longer require protection.
- (2) Fluted rollers and plain looms should be excluded from the tariff Item 72 (34) and two new tariff items "fluted rollers of all kinds" and "looms of all kinds and parts thereof" should be introduced with a protective duty of  $10\frac{1}{2}$  per cent. ad valorem in each case.
- (3) The cotton textile machinery industry deserves priority in the allocation of materials. The industry should be given all possible assistance in obtaining adequate supplies of materials required by it and especially

- in building up reasonable stocks of graded pig iron and mild steel.
- (4) The Collectors of Customs and the Director General of Commercial Intelligence and Statistics should, wherever practicable, record imports of spinning ring frames, spinning ring spindles, spinning rings, fluted rollers, tin rollers and plain and automatic looms, in numbers as well as in value.
- (5) While imports of textile machinery should be carefully regulated in order to secure a fuller utilisation of domestic capacity, the mill industry should be allowed reasonable freedom to experiment with such improved types of machinery as are not yet manufactured in the country.
- (6) Government should give a clear indication to the textile industry as early as possible of their policy regarding the installation of automatic looms, since the present uncertainty is hampering the development of this section of textile machinery industry.
- (7) Government should make suitable arrangements as early as possible to obtain expert technical advice on the quality of textile machinery which the mill industry is required to purchase from indigenous sources by reason of import control. The voluntary co-operation of textile industry is essential for the healthy growth of the textile machinery industry and this cannot be ensured unless adequate arrangements exist for an impartial investigation of complaints from the consuming industry about the quality of the indigenous products. A special officer for cotton textile machinery should be appointed in the Ministry Commerce and Industry to keep a continuous watch over the progress of the cotton textile machinery industry as a whole and to recommend suitable measures to promote its development on sound lines.
- (8) The Indian Standards Institution should expedite the formulation of standard specifications for the various components of cotton textile machinery manufactured in the country.
- 2. Government accept recommendations (1), (2), (3), (4) and (8) and will take suitable steps to implement them.
- 3. As regards recommendation (5), Government's import policy is flexible enough to permit imports of certain types of machinery which are not manufactured in India.
- 4. Regarding Recommendation 6, Government's policy has been defined in the Resolution passed in the Lok Sabha on the 10th September, 1954, namely, that rationalisation of the Textile Industry where it is necessary in the country's interest must be encouraged, but the implementation of such schemes should be so, regulated as to cause the least amount of displacement of labour in the industry, providing reasonable facilities to the employment of such displaced labour.

Applications for replacement of plain looms with automatic looms would be considered on merits in each case by Government having regard to the principles laid down in the Lok Sabha Resolution.

5. Government have taken note of recommendation 7 and propose to pursue the point raised therein further.

#### NOTIFICATION

#### TARIFFS

New Delhi, the 31st December, 1954

No. 36(6)-T.B./53.—In exercise of the powers conferred by subsection (1) of section 3A of the Indian Tariff Act, 1934 (XXXII of 1934), the Central Government hereby directs that with effect from the 1st January, 1955, there shall be levied on the articles specified in column (1) of the Table hereto annexed when imported into India the duty of customs specified in the entry in column (2) thereof.

#### THE TABLE

Name of articles

Amount of customs duty [inclusive of the duty chargeable under sub-section (1) of section 2 of the Indian Tariff Act, 1934 and any additional duty leviable under any other law for the time being in force]

r

2

The following cotton textile machinery and 101 per cent. ad valorem. apparatus and parts thereof (other than tin rollers), by whatever power operated, namely :-

- (a) Spinning ring frames, spinning ring spindles and spinning rings;
- (b) fluted rollers of all kinds;
- (c) looms of all kinds.

K. B. LAL, Jt. Secv.